

HOUSE

AMENDMENT NO.____

Offered by

____ of _____

1 AMEND House Committee Substitute for House Bill No. 58, Page 8,
 2 Section 59.044, Line 4, by inserting after all of said line the
 3 following:

4 "67.1305. 1. As used in this section, the term "city"
 5 shall mean any incorporated city, town, or village.

6 2. In lieu of the sales taxes authorized under sections
 7 67.1100 and 67.1303. The governing body of any city or county
 8 may impose, by order or ordinance, a sales tax on all retail
 9 sales made in the city or county which are subject to sales tax
 10 under chapter 144, RSMo. The tax authorized in this section
 11 shall not be more than one-half of one percent. The order or
 12 ordinance imposing the tax shall not become effective unless the
 13 governing body of the city or county submits to the voters of the
 14 city or county at any citywide, county or state general, primary
 15 or special election a proposal to authorize the governing body to
 16 impose a tax under this section. The tax authorized in this

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1 section shall be in addition to all other sales taxes imposed by
2 law, and shall be stated separately from all other charges and
3 taxes. The tax authorized in this section shall not be imposed
4 by any city or county that has imposed a tax under section
5 67.1300 or 67.1303 unless the tax imposed under those sections
6 has expired or been repealed.

7 3. The ballot of submission for the tax authorized in this
8 section shall Be in substantially the following form:

9 Shall (insert the name of the city or county)
10 impose a sales tax at a rate of (insert rate of
11 percent) percent for economic development purposes?

12 ☐ YES

☐ NO

13
14 If a majority of the votes cast on the question by the qualified
15 voters voting thereon are in favor of the question, then the tax
16 shall become effective on the first day of the second calendar
17 quarter following the calendar quarter in which the election was
18 held. If a majority of the votes cast on the question by the
19 qualified voters voting thereon are opposed to the question, then
20 the tax shall not become effective unless and until the question
21 is resubmitted under this section to the qualified voters and
22 such question is approved by a majority of the qualified voters
23 voting on the question, provided that no proposal shall be
24 resubmitted to the voters sooner than twelve months from the date

1 of the submission of the last proposal.

2 4. All sales taxes collected by the director of revenue
3 under this section on behalf of any county or municipality, less
4 one percent for cost of collection which shall be deposited in
5 the state's general revenue fund after payment of premiums for
6 surety bonds as provided in section 32.087, RSMo, shall be
7 deposited in a special trust fund, which is hereby created, to be
8 known as the "Local Option Economic Development Sales Tax Trust
9 Fund".

10 5. The moneys in the local option economic development
11 sales tax trust fund shall not be deemed to be state funds and
12 shall not be commingled with any funds of the state. The
13 director of revenue shall keep accurate records of the amount of
14 money in the trust fund and which was collected in each city or
15 county imposing a sales tax pursuant to this section, and the
16 records shall be open to the inspection of officers of the city
17 or county and the public.

18 6. Not later than the tenth day of each month the director
19 of revenue shall distribute all moneys deposited in the trust
20 fund during the preceding month to the city or county which
21 levied the tax. Such funds shall be deposited with the county
22 treasurer of each such county or the appropriate municipal
23 officer in the case of a municipal tax, and all expenditures of
24 funds arising from the local economic development sales tax trust

1 fund shall be in accordance with this section.

2 7. The director of revenue may authorize the state
3 treasurer to make refunds from the amounts in the trust fund and
4 credited to any city or county for erroneous payments and
5 overpayments made, and may redeem dishonored checks and drafts
6 deposited to the credit of such cities and counties.

7 8. If any county or municipality abolishes the tax, the
8 city or county shall notify the director of revenue of the action
9 at least ninety days prior to the effective date of the repeal
10 and the director of revenue may order retention in the trust
11 fund, for a period of one year, of two percent of the amount
12 collected after receipt of such notice to cover possible refunds
13 or overpayment of the tax and to redeem dishonored checks and
14 drafts deposited to the credit of such accounts. After one year
15 has elapsed after the effective date of abolition of the tax in
16 such city or county, the director of revenue shall remit the
17 balance in the account to the city or county and close the
18 account of that city or county. The director of revenue shall
19 notify each city or county of each instance of any amount
20 refunded or any check redeemed from receipts due the city or
21 county.

22 9. Except as modified in this section, all provisions of
23 sections 32.085 and 32.087, RSMo, shall apply to the tax imposed
24 pursuant to this section.

1 10. (1) No revenue generated by the tax authorized in this
2 section shall be used for any retail development project, except
3 for the redevelopment of downtown areas and historic districts.
4 Not more than twenty-five percent of the revenue generated shall
5 be used annually for administrative purposes, including staff and
6 facility costs.

7 (2) At least twenty percent of the revenue generated by
8 the tax authorized in this section shall be used solely for
9 projects directly related to long-term economic development
10 preparation, including, but not limited to, the following:

11 (a) Acquisition of land;

12 (b) Installation of infrastructure for industrial or
13 business parks;

14 (c) Improvement of water and wastewater treatment capacity;

15 (d) Extension of streets;

16 (e) Public facilities directly related to economic
17 development and job creation; and

18 (f) Providing matching dollars for state or federal grants
19 relating to such long-term projects;

20 (3) The remaining revenue generated by the tax authorized
21 in this section may be used for, but shall not be limited to, the
22 following:

23 (a) Marketing;

24 (b) Providing grants and loans to companies for job

1 training, equipment acquisition, site development, and
2 infrastructures;

3 (c) Training programs to prepare workers for advanced
4 technologies and high skill jobs;

5 (d) Legal and accounting expenses directly associated with
6 the economic development planning and preparation process;

7 (e) Developing value-added and export opportunities for
8 Missouri agricultural products.

9 11. All revenue generated by the tax shall be deposited in
10 a special trust fund and shall be used solely for the designated
11 purposes. If the tax is repealed, all funds remaining in the
12 special trust fund shall continue to be used solely for the
13 designated purposes. Any funds in the special trust fund which
14 are not needed for current expenditures may be invested by the
15 governing body in accordance with applicable laws relating to the
16 investment of other city or county funds.

17 12. Any city or county imposing the tax authorized in this
18 section shall establish an economic development tax board. The
19 volunteer board shall receive no compensation or operating
20 budget.

21 (1) The economic development tax board established by a
22 city and shall consist of five members, to be appointed as
23 follows:

24 (a) One member shall be appointed by the school districts

1 included within any economic development plan or area funded by
2 the sales tax authorized in this section. Such members shall be
3 appointed in any manner agreed upon by the affected districts;

4 (b) Three members shall be appointed by the chief elected
5 officer of the city with the consent of the majority of the
6 governing body of the city;

7 (c) One member shall be appointed by the governing body of
8 the county in which the city is located.

9 (2) The economic development tax board established by a
10 county shall consist of seven members, to be appointed as
11 follows:

12 (a) One member shall be appointed by the school districts
13 included within any economic development plan or area funded by
14 the sales tax authorized in this section. Such members shall be
15 appointed in any manner agreed upon by the affected districts;

16 (b) Four members shall be appointed by the governing body
17 of the county; and

18 (c) Two members from the cities, towns, or villages within
19 the county appointed in any manner agreed upon by the chief
20 elected officers of the cities or villages.

21
22 Of the members initially appointed, three shall be designated to
23 serve for terms of two years, and the remaining members shall be
24 designated to serve for a term of four years from the date of

1 such initial appointments. Thereafter, the members appointed
2 shall serve for a term of four years, except that all vacancies
3 shall be filled for unexpired terms in the same manner as were
4 the original appointments.

5 13. The board, subject to approval of the governing body of
6 the city or county, shall consider economic development plans,
7 economic development projects, or designations of an economic
8 development area, and shall hold public hearings and provide
9 notice of any such hearings. The board shall vote on all
10 proposed economic development plans, economic development
11 projects, or designations of an economic development area, and
12 amendments thereto, within thirty days following completion of
13 the hearing on any such plan, project, or designation, and shall
14 make recommendations to the governing body within ninety days of
15 the hearing concerning the adoption of or amendment to economic
16 development plans, economic development projects, or designations
17 of an economic development area. The governing body of the city
18 or county shall have the final determination on use and
19 expenditure of any funds received from the tax imposed under this
20 section.

21 14. The board may consider and recommend using funds
22 received from the tax imposed under this section for plans,
23 projects or area designations outside the boundaries of the city
24 or county imposing the tax if, and only if:

1 (1) The city or county imposing the tax or the state
2 receives significant economic benefit from the plan, project or
3 area designation; and

4 (2) The board establishes an agreement with the governing
5 bodies of all cities and counties in which the plan, project or
6 area designation is located detailing the authority and
7 responsibilities of each governing body with regard to the plan,
8 project or area designation.

9 15. Notwithstanding any other provision of law to the
10 contrary, the economic development sales tax imposed under this
11 section when imposed within a special taxing district, including,
12 but not limited to a tax increment financing district,
13 neighborhood improvement district, or community improvement
14 district, shall be excluded from the calculation of revenues
15 available to such districts, and no revenues from any sales tax
16 imposed under this section shall be used for the purposes of any
17 such district unless recommended by the economic development tax
18 board established under this section and approved by the
19 governing body imposing the tax.

20 16. The board and the governing body of the city or county
21 imposing the tax shall report at least annually to the governing
22 body of the city or county on the use of the funds provided under
23 this section and on the progress of any plan, project, or
24 designation adopted under this section and shall make such report

1 available to the public.

2 17. Not later than the first day of March each year the
3 department of economic development shall submit to the joint
4 committee on economic development a report, not exceeding one
5 page in length, which must include the following information for
6 each project using the tax authorized under this section:

7 (1) A statement of its primary economic development goals;

8 (2) A statement of the total economic development sales tax
9 revenues received during the immediately preceding calendar year;

10 (3) A statement of total expenditures during the preceding
11 calendar year in each of the following categories:

12 (a) Infrastructure improvements;

13 (b) Land and or buildings;

14 (c) Machinery and equipment;

15 (d) Job training investments;

16 (e) Direct business incentives;

17 (f) Marketing;

18 (g) Administration and legal expenses; and

19 (h) Other expenditures.

20 18. The governing body of any city or county that has
21 adopted the sales tax authorized in this section may submit the
22 question of repeal of the tax to the voters on any date available
23 for elections for the city or county. The ballot of submission
24 shall be in substantially the following form:

1 Shall (insert the name of the city or county)
2 repeal the sales tax imposed at a rate of (insert rate
3 of percent) percent for economic development purposes?

4 [] YES

[] NO

5
6 If a majority of the votes cast on the proposal are in favor of
7 repeal, that repeal shall become effective on December
8 thirty-first of the calendar year in which such repeal was
9 approved. If a majority of the votes cast on the question by the
10 qualified voters voting thereon are opposed to the repeal, then
11 the sales tax authorized in this section shall remain effective
12 until the question is resubmitted under this section to the
13 qualified voters of the city or county, and the repeal is
14 approved by a majority of the qualified voters voting on the
15 question.

16 19. Whenever the governing body of any city or county that
17 has adopted the sales tax authorized in this section receives a
18 petition, signed by ten percent of the registered voters of the
19 city or county voting in the last gubernatorial election, calling
20 for an election to repeal the sales tax imposed under this
21 section, the governing body shall submit to the voters a proposal
22 to repeal the tax. If a majority of the votes cast on the
23 question by the qualified voters voting thereon are in favor of
24 the repeal, that repeal shall become effective on December

1 thirty-first of the calendar year in which such repeal was
2 approved. If a majority of the votes cast on the question by the
3 qualified voters voting thereon are opposed to the repeal, then
4 the tax shall remain effective until the question is resubmitted
5 under this section to the qualified voters and the repeal is
6 approved by a majority of the qualified voters voting on the
7 question.

8 20. If any provision of this section or section 67.1303 or
9 the application thereof to any person or circumstance is held
10 invalid, the invalidity shall not affect other provisions or
11 application of this section or section 67.1303 which can be given
12 effect without the invalid provision or application, and to this
13 end the provisions of this section and section 67.1303 are
14 declared severable."; and

15 Further amend said title, enacting clause and intersectional
16 references accordingly.